

MEMORANDUM FOR THE RECORD

Suggested Opening Remarks to NSCID #5 Working Group Prepared by



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I have called this meeting of the entire Working Group because careful study of the Navy proposal reveals that we are faced with a fundamental difference of opinion respecting the authority of the Director of Central Intelligence and the responsibility of the Central Intelligence Agency in the field of clandestine activities abroad. It is also indicated that the Army is generally in agreement with the Navy position and that the Air Force is not opposed to such position. No progress can be made in revising NSCID #5 until such fundamental differences of opinion have been resolved.

The CIA position is based on these fundamentals:

1. The Director of Central Intelligence is THE COORDINATOR of all U.S. clandestine activities conducted outside the United States and its possessions.

2. The Central Intelligence Agency is the NATIONAL CLANDESTINE SERVICE OF THE UNITED STATES and as such has PRIMARY responsibility for the conduct of all espionage, counterespionage and related clandestine activities outside the United States and its possessions.

3. As the National Clandestine Service of the United States, the Central Intelligence Agency has PRIMARY responsibility for all liaison relationships with foreign intelligence and security services with respect to CLANDESTINE matters.

4. For obvious and practical reasons it has been provided that other Departments and Agencies may conduct such DEPARTMENTAL espionage, counterespionage and related clandestine activities as they deem necessary to carry out their assigned missions AFTER reaching agreement with the Director of Central Intelligence and SUBJECT to his continuing coordination.

It was the obvious intent of Congress in passing the National Security Act of 1947 that the United States would have a SINGLE clandestine service, and this view has been strongly supported by every Task Force and Committee who have investigated the intelligence community; the most recent being the President's Board of Consultants who have informed the President that the intelligence effort of the

United States needs "STRONG CENTRALIZED DIRECTION" and have recommended to him that the Director of Central Intelligence "exercise a more comprehensive and positive coordinating responsibility within the intelligence community". The Navy proposal would create four or more co-equal and competing clandestine services operating on a basis of mutual cooperation rather than "strong centralized direction".

It should be obvious, although some may have overlooked the fact, that any proposed revision of NSCID #5 will be submitted to the National Security Council by the Director of Central Intelligence as his recommendation for the coordination of intelligence activities pursuant to his statutory responsibilities set forth in the National Security Act.

It should also be remembered that the Intelligence Advisory Committee was established to advise the Director of Central Intelligence; he may or may not follow such advice; his only responsibility is to indicate to the National Security Council that he has the concurrence or non-concurrence of the members of the IAC and in either event, he has sole responsibility for any recommendation he may make to the Council. It is provided that he will refer the problem to the Secretary of Defense if one or more of the military services disagree with his position, but he is not required to secure the concurrence of the Secretary of Defense before he can submit recommendations to the Council.

It should be clear to all that the Director of Central Intelligence would not make a recommendation to the National Security Council that would contravene the intent of Congress and be in opposition to the recommendations made on this subject by all groups and committees who have investigated the intelligence community.

I now wish to clarify our position with respect to "agreed activities" and the field of counterintelligence.

The "agreed activities" provision was never intended to be a stepping stone to the creation of a multiplicity of clandestine services in the United States; it was designed to provide for a relatively limited degree of clandestine activity on the part of other departments and agencies, primarily the military services, to meet certain specific departmental requirements that they could not meet by overt means. There has never been any intention on the part of the Director of Central Intelligence to prevent the military services from meeting their legitimate departmental requirements in the clandestine field but he cannot provide "strong centralized direction and exercise a more comprehensive and positive coordinating responsibility" unless these agreed activities are subject to his coordination.

With respect to the field of counterintelligence, we realize fully that the term, as used by the military services, includes many activities that are in no way clandestine; the Director of Central Intelligence has no concern with such non-clandestine activities, insofar as NSCID #5 is concerned. When we are in a position to resume our work on the revision of this directive, I believe we can find the words necessary to make this point clear.

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I will now repeat the CIA position and then ask each representative here to state whether the department or agency he represents is in agreement or in opposition to that position. If any one or more of the IAC member agencies are in opposition to such position, we will then submit the matter to the IAC for discussion as no effective revision of the paper can be made until these fundamental issues have been resolved.

1. The Director of Central Intelligence is THE COORDINATOR of all U. S. clandestine activities conducted outside the United States and its possessions.

2. The Central Intelligence Agency is the NATIONAL CLANDESTINE SERVICE OF THE UNITED STATES and as such has PRIMARY responsibility for the conduct of all espionage, counterespionage and related clandestine activities outside the United States and its possessions.

3. As the National Clandestine Service of the United States, the Central Intelligence Agency is responsible for all liaison relationships with foreign intelligence and security services that concern CLANDESTINE matters.

4. For obvious and practical reasons, it has been provided that other departments and agencies may conduct such espionage, counterespionage and related clandestine activities as they deem necessary to carry out their assigned missions after reaching agreement with the Director of Central Intelligence and subject to his continuing coordination.

I will now call for a specific statement of concurrence or opposition from each agency represented here. After we have "counted heads" on the basic issue, I will then be pleased to hear any clarifying remarks which any of you may care to make.

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|--------------------|--------------|
| 1. State | 5. Army |
| 2. AEC | 6. Navy |
| 3. Air Force (A-2) | 7. JIG |
| 4. Air Force (OSI) | 8. Sec. Def. |
| 9. FBI | |

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LKT - 25 July 1957

COMMENTS ON THE ONI DRAFT OF

NSCID 5

GENERAL COMMENTS

The key paragraphs are the following:

Paragraph 1 dealing with espionage;

Paragraph 2 dealing with counterespionage;

Paragraphs 3c and 7 dealing with coordination; and

Paragraph 12 dealing with liaison.

If these are resolved, all others should present no particular difficulty. Further, it would appear that the text is sufficiently extensive to cover the proposed "national policy on counterintelligence" referred to in the Defense papers.

CIA POSITION

Reference Para. 1:

Navy version would result in four or more co-equal, competing clandestine services contrary to the obvious intent of Congress in passing the National Defense Act and contrary to every Task Force and Committee that has investigated the intelligence community.

CIA position: One ⁷²~~additional~~ Agency to conduct all foreign espionage to meet the needs of the Departments and Agencies. Exception: Military Commander abroad to collect by espionage information necessary for accomplishment of mission when information not otherwise available, provided that collection operations are coordinated in the over-all collection effort.

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Reference Paragraph 2:

ONI version would result in much duplication and conflicting counterintelligence operations and vastly increase the difficulty of coordination.

CIA Position: The Agency as a national clandestine service must have counterintelligence responsibilities abroad on the order of the FBI domestic responsibility. All Departments and Agencies responsible for counterintelligence protection of their own information, personnel and installations against espionage, subversion and sabotage provided clandestine collection activities coordinated in the over-all clandestine collection effort.

Reference Paragraph 3:

ONI definition is that used in the dictionary of U. S. Military Terms for Joint Usage, February, 1957.

CIA Position: Agency definition is preferred ^{but} ~~by~~ we can certainly live without the other. In view of military use and ~~an~~ even international understanding, there may be some advantage to adopting the military terminology but not preclude the use of CIA definition for our own purposes and for indoctrination.

Reference Paragraph 4:

CIA Position: Paragraph not necessary; repetition of principles already covered in NSCID 1.

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Reference Paragraph 5:

CIA Position: Adjustments should present no difficulty.

Reference Paragraph 6:

ONI version dealing with coordination would result in a debating society.

CIA Position: DCI coordinates intelligence and counter-intelligence collection in accordance with DCID 5/1 procedures.

Reference Paragraph 7:

CIA Position: DCI is the only one who can coordinate covert and overt. No objection to inclusion of inter-departmental committees.

Reference Paragraphs 8 and 9:

Mutuality aspects can be accepted or easily adjusted.

Reference Paragraphs 10 and 11:

Adjustment should present no difficulty.

Reference Paragraph 12:

ONI version of liaison arrangements would necessitate a debating society and occasion endless confusion.

CIA Position: The Agency as the National clandestine service must have primary responsibility for liaison with foreign clandestine services. Military Commanders and other Departments and Agency conduct liaison as required by their missions with foreign services provided that liaison on clandestine matters is coordinated with the CIA.

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Reference Paragraph 13:

First 2 sentences of the ONI version should present no difficulty.

Sub c. of original CIA version should be retained. The third sentence of the ONI version can be adjusted.

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NATIONAL SECURITY COUNCIL INTELLIGENCE DIRECTIVE NO. 5

ESPIONAGE AND COUNTERINTELLIGENCE ABROAD*

Pursuant to the provisions of Section 102(d) of the National Security Act of 1947, as amended, the National Security Council hereby authorizes and directs that:

1. To promote the over-all interests of the U.S. intelligence community the Director of Central Intelligence will, in consultation with the Intelligence Advisory Committee, insure the coordination of espionage and counterintelligence activities abroad except in theaters of war where U.S. forces are involved, or when the President directs, in which event the provisions of paragraph 12 below shall apply. Coordination comprises those consultative activities undertaken by Departments and Agencies to promote cooperation, resolve mutual problems, exchange operational information, eliminate unprofitable duplication, and, in each instance, evolve a modus operandi on the part of all participants to forestall actions detrimental to the national interest or to each other. Coordination will be effected at the lowest echelon practicable.

2. The Central Intelligence Agency shall conduct espionage operations outside the United States and its possessions in order to satisfy intelligence requirements relating to the National security. Departments and other Agencies may conduct espionage operations outside the United States and its possessions in order to satisfy departmental intelligence needs.

* Outside the United States and its possessions.

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1. The CIA shall conduct counterintelligence operations outside the United States and its possessions necessary in the interests of national security and in furtherance of its assigned missions. Departments and other Agencies shall conduct counterintelligence operations outside the United States and its possessions necessary for the security of their commands, activities and installations and the execution of their assigned missions.

2. For the purpose of this directive:

[8] a. Espionage is defined as those activities which are directed toward the clandestine acquisition of intelligence information or toward the performance of intelligence operations against a foreign power by secret or illicit means.

b. Counterintelligence is defined as all activities, exclusive of espionage, devoted to destroying the effectiveness of inimical foreign intelligence activities and to the protection of information against espionage, personnel against subversion, and installations or material against sabotage.

3. There shall be a free exchange of intelligence, intelligence information and other information which has utility for intelligence purposes, to assist Departments and Agencies in the accomplishment of their espionage and counterintelligence responsibilities. Continuous and timely guidance, specific collection requirements and assessments of intelligence information collected will be included.

4. The Central Intelligence Agency shall be responsible for maintaining as a source of common interest, central indexes and records of intelligence and counterintelligence information on foreign areas. Departments and Agencies shall contribute pertinent material to the central file on a continuing basis.

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dination of clandestine intelligence collection with overt collection abroad. He shall also insure in consultation with the Intelligence Advisory Committee that counterintelligence activity abroad is coordinated with the Departments, Agencies and interdepartmental committees responsible for domestic counterintelligence. The Director of Central Intelligence shall invite Departments and Agencies not permanent members of the Intelligence Advisory Committee which have counterintelligence responsibilities abroad to participate in the Intelligence Advisory Committee deliberations when counterintelligence matters affecting such responsibilities are under consideration.

8. In the conduct of espionage and counterintelligence activities, bilateral arrangements shall be made, as the national interest may require, among the Departments and Agencies concerned for cover to support these activities.

9. In a foreign area other than a theater of war where U.S. forces are involved, or when the President directs, the designated representative of the Director, CIA, shall keep the senior U.S. representative, as the latter may desire, advised of U.S. espionage and counterintelligence activities conducted in or from the area.

10. In a foreign area where U.S. military commands are stationed, the designated representative of the Director, Central Intelligence Agency, shall keep the designated representatives of senior U.S. military commanders informed of the espionage and counterintelligence operations conducted by the Central Intelligence Agency in or from the area.

11. Liaison arrangements established with foreign intelligence and security services which affect espionage or counterintelligence activities

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Agencies concerned, in order to insure that such relationships are beneficial to the over-all espionage and counterintelligence interests of the United States.

12. In theaters of war where U.S. forces are involved, or when the President directs, all resources of the Central Intelligence Agency shall be included in a CIA Component Force under the direct command of the commanders of commands established by the Joint Chiefs of Staff. The CIA Component Force Commander shall provide espionage and counterintelligence support to military operations in accordance with the requirements of commands established by the Joint Chiefs of Staff. Exceptional espionage or counterintelligence operations, because of their delicate or diplomatic implications, may be conducted by the CIA Component Force after coordination by the Director of Central Intelligence with the Joint Chiefs of Staff.

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